

MEMORANDUM OF UNDERSTANDING

between the

U.S. Environmental Protection Agency

and the

Economic Development Administration, U.S. Department of Commerce

I. Purpose

The purpose of this Memorandum of Understanding (MOU) is to establish a general working agreement between the United States Environmental Protection Agency (EPA) and the Economic Development Administration (EDA) of the United States Department of Commerce (DOC) to coordinate their policies and activities in support of brownfields assessment and cleanup, community revitalization, and economic redevelopment efforts.

Building on the current working relationship between EPA and the DOC's Economic Development Administration (EDA), this document updates and renews the partnership established between the two agencies in 1995, with the objective of further enhancing interagency cooperation and collaboration in keeping with the respective agencies' environmental protection and economic development objectives.

II. Background

Brownfield sites are real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Because of the stigma of contamination and other barriers to redevelopment, brownfields remain unproductive, blighting communities while developers resort to the use of "greenfields," or open space outside of cities for development purposes. Brownfields, however, frequently offer a number of redevelopment advantages, including competitive location, established infrastructure, untapped customer and labor markets, easy access to multiple modes of transportation, and unique development opportunities such as historic and culturally significant sites.

EPA's Brownfields program seeks to protect the public health and environment by assisting communities in assessing and cleaning up brownfields, thereby preparing sites for future economic development, parks and recreation, and open space uses.

The DOC's EDA provides resources for locally led economic development initiatives that achieve the dual goals of sustainable development and economic prosperity. EDA works with states, political subdivisions of states, Indian tribes, Alaska Native corporations, local development districts (multi-county development organizations), local communities, and non-profit organizations (including institutions of higher learning) to provide them with the tools necessary to foster community and economic revitalization,

create and retain jobs, encourage private investment, expand the local tax base, diversify the economy, and improve the quality of life for residents.

Since 1995, the Brownfields program has leveraged more than \$4.4 billion in private funds for cleanup and redevelopment, and more than 20,000 jobs have been created from federal brownfields investment. In general, most of this cleanup and redevelopment has occurred in urban and suburban areas, with rural and tribal areas experiencing somewhat less activity. In addition, some chronically distressed urban areas that have begun brownfields assessment and cleanup activities have not been able to realize the full potential of these sites because they lack capital to support the planning, infrastructure, and business development that is critical to the economic revitalization of these poor market areas.

Enhanced coordination and cooperation between EPA and EDA will help facilitate brownfields cleanup and redevelopment activity in distressed communities throughout the Nation, and particularly in underserved small metropolitan, rural, and tribal areas. This agreement will serve as a model to respond to the needs of highly distressed urban, rural, and tribal areas and increase brownfields cleanup and sustainable redevelopment in impoverished communities.

III. Agreement

EPA and DOC agree to work together to address the obstacles and opportunities of brownfields cleanup and redevelopment in distressed communities. This may include, to the extent authorized by law:

- A. Crafting a joint brownfields strategy. This strategy will define specific mechanisms for coordinating the activities of EPA and EDA and link brownfields assessment and cleanup activities with economic development, including implementation of the Brownfields program.
- B. Jointly identifying and implementing actions that link brownfields assessment and cleanup activities with economic development. These actions may include:
 - support, including technical assistance, information sharing, and workshops, to increase the awareness of brownfields cleanup and redevelopment programs and benefits;
 - support, including financial and technical assistance, for states, political subdivisions of states, Indian tribes, Alaska Native corporations, local development districts, and other nonprofit organizations to develop proposals for integrating brownfields assessments and cleanup with economic development planning;

- coordination of joint activities between states, local development districts, communities, and EPA and EDA field staff in order to help implement brownfields assessment, cleanup and redevelopment projects at the local level;
 - support, including financial and technical assistance, to communities to stimulate and leverage funds for assessment, cleanup, and redevelopment of brownfields;
 - training of EPA and EDA field staff regarding respective agencies programs and activities and potential implementation synergies; and
 - collaboration in joint projects or proposal reviews for competitions sponsored by either agency.
- C. Jointly developing and supporting research that addresses brownfields issues. This joint research agenda could include short-term investigations as well as longer-term research, the development of performance measures and benchmarks for joint programmatic initiatives, and preparation of guidance materials to help states, tribes, and localities more effectively address brownfields assessment, cleanup and economic development.
- D. Jointly identifying, planning, and implementing actions that link brownfields assessment, cleanup and redevelopment with emerging national eco-industrial development activities. These actions might include support, including financial and technical assistance, for states, political subdivisions of states, Indian tribes, Alaska Native corporations, local development districts, and other nonprofit organizations to develop model eco-industrial parks on brownfields sites.
- E. Jointly planning and implementing actions that enhance the assessment, cleanup and redevelopment of brownfields properties in small metropolitan, rural, tribal, and other highly distressed areas.

IV. Programming, Budgeting, Funding, and Reimbursement Arrangement

- A. This MOU is neither a fiscal nor a funds obligation document. Any endeavor involving reimbursement or contribution of funds between the parties to this MOU will be handled in accordance with applicable laws, regulations, and procedures, and will be subject to separate interagency agreements (IAs) hereunder that shall be effected in writing by representatives of both parties.

- B. This MOU in no way restricts EPA or EDA from participating in similar activities or arrangements with other entities or federal agencies.
- C. Nothing in this MOU shall obligate EPA or EDA to expend appropriations or to enter into any contract or other obligations.
- D. Should EPA and EDA decide to collaborate on a specific project or projects, one agency will be selected to serve as the lead agency. The lead agency will be responsible for all grant management, financial, and accounting services involved in awarding funds to a recipient. The other agency will be responsible for transferring its share of funds to support the project to the lead agency and any other duties as may be specified in separate IAs under this MOU.
- E. Projects funded pursuant to this MOU shall be determined annually on a case-by-case basis in accordance with this agreement and as put forth in specific IAs hereunder. Any awards shall be made pursuant to both agencies' governing authorities and will be administered in accordance with applicable laws, regulations, and procedures.

V. Authorities

This MOU is entered into consistent with the following authorities:

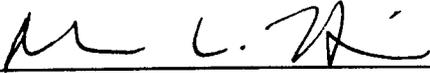
- Section 104(k)(5)(A)(ii) of the Comprehensive Environment Response, Compensation and Liability Act of 1980 (CERCLA), as amended, and Section 102(2)(F) and (G) of the National Environmental Policy Act of 1969 (NEPA), as amended (42 USC 4332(2)(F) and (G)).
- The Public Works and Economic Development Act of 1965 (PWEDA), as amended, including the Economic Development Administration Reform Act of 1998, 42 USC 3121 et seq.

VI. Effective Date

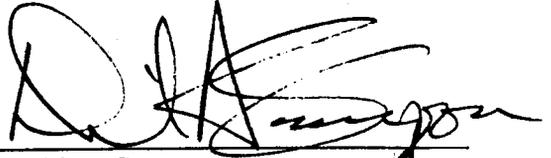
This MOU will become effective upon signature by the Assistant Administrator for Solid Waste and Emergency Response of the U.S. Environmental Protection Agency and by the Assistant Secretary for Economic Development of the U.S. Department of Commerce, and shall remain in effect until termination by either Party. Either Party may terminate this MOU upon 90 days written notice to the other party. Its provisions will be reviewed annually and amended or supplemented as may be mutually agreed upon in writing.

VII. Other MOUs

This MOU supersedes all previous MOUs, on this topic, between EDA and EPA.



Marianne Lamont Horinko
Assistant Administrator
Office of Solid Waste & Emergency Response
U.S. Environmental Protection Agency



David A. Sampson
Assistant Secretary for Economic
Development
U.S. Department of Commerce

July 25, 2002
(Date)

25 July 2002
(Date)